



Community Development Department

RENAISSANCE ZONE AUTHORITY MEETING AGENDA March 15, 2016

| | | |
|-----------------------------|-----------|----------------------------------|
| City-County Office Building | 4:00 p.m. | David J. Blackstead Meeting Room |
|-----------------------------|-----------|----------------------------------|

- 1. Call to Order**
- 2. January 19, 2016 Minutes and February 16, 2016 Minutes**
- 3. Renaissance Zone Project – Discussion**
 - a. Request of Jerry & Renae Doan (Rehabilitation) and Request of the Bismarck Community Food Cooperative (Lease)
- 4. Renaissance Zone Project – Discussion**
 - a. Request of Arikota, LP (Project 99-B | New Construction) Project Completion
- 5. Renaissance Zone Program State Extension Procedures – Update**
- 6. Downtown Update Provided by the Downtowners Association**
- 7. Other Business**
- 8. Adjourn – Next regular meeting is scheduled for Tuesday, April 19, 2016.**



**RENAISSANCE ZONE AUTHORITY
MEETING MINUTES
January 19, 2016**

The Bismarck Renaissance Zone Authority met on January 19, 2016 in the David J. Blackstead Meeting Room in the City-County Office Building at 221 North 5th Street. Chairman Walth presided.

Authority members present were Josh Askvig, Jim Christianson, George Keiser, Jeff Ubl, and Curt Walth.

Authority members absent were Chuck Huber and Todd Van Orman.

Technical Advisors Bruce Whittey and Steph Smith were present.

Staff members present were Jason Tomanek (Senior Planner), Brenda Johnson (Real Property Appraiser), Sandra Bogaczyk (Community Development Office Assistant), Charlie Whitman (City Attorney), and Will Hutchings (Transportation Planner).

Guests present were Kate Herzog , Renae Doan, Rolf Eggers, Paul Breiner, Tobias Marman, and Russ Kadlec.

CALL TO ORDER

Chairman Walth called the meeting to order at 4:00 p.m.

ELECTION OF OFFICERS

Chairman Walth called for an election of officers. Mr. Keiser nominated Curt Walth as Chairman and Mr. Askvig seconded. Mr. Tomanek clarified that the election of officers is done at the first meeting of each year with a one-year term of office. The motion passed unanimously in a voice vote. Chuck Huber was nominated by Mr. Keiser to be Vice-Chairperson and the nomination was seconded by Mr. Ubl. The motion passed unanimously in a voice vote.

MINUTES

The minutes of the December 15, 2015 meeting were distributed with the agenda packet.

MOTION: A motion was made by Mr. Keiser and seconded by Mr. Christianson to approve the minutes of the December 15, 2015 meeting as received. The motion passed unanimously with members Askvig, Christianson, Keiser, Ubl and Walth voting in favor.

DOWNTOWN DESIGN REVIEW – *Project Modification*

307/309 NORTH 3RD STREET – THE DISTRICT

Mr. Tomanek mentioned that during interior demolition, the general contractor discovered an unused stairwell that could provide access to the roof of the building. The owner has indicated a desire to incorporate a rooftop patio as part of the proposed exterior modifications. In particular, the previously approved metal panel system intended for a portion of the north exterior wall has been eliminated and replaced with a smooth-finish fiber cement panel system that would be painted purple to match the previously-approved purple element intended for the west-facing building façade. In addition, a modification has been proposed for some of the materials selected for the exterior of the building. As a condition of the approval, the owner has requested the Downtown Design Review Committee to reconsider the project with the proposed changes as described.

Mr. Askvig voiced concern about the noise absorption of the new materials. Mr. Marman thought that it should not be any different than what is currently on the building.

Mr. Marman stated that a screen to block the rooftop mechanical equipment from view has yet to be finalized, but they understand it is required. The deck will be raised about a foot above the image produced.

Ms. Smith asked what is enclosed in the northwest corner of the rooftop. Mr. Marman explained that a garage-rollup door for storage is planned for this area.

Chairman Walth asked what is the code for screening mechanical equipment. Mr. Tomanek stated that it should be screened to hide from the view of mechanical equipment from the street.

Chairman Walth asked what the occupancy could be on the deck. Mr. Marman stated that 49 people could occupy the rooftop area based on load restrictions. Mr. Marman then stated that there also needs to be a separate stairwell for a two hour separation with sprinklers and door openings must have two-hour fire separation.

Mr. Keiser stated concern with the size of the wall and it being too solid of a mass without being broken up with a design, which would eliminate the massive look and feel of the wall from a pedestrian and streetscape perspective.

It was noted by Technical Advisor Whittey that the new fiber cement panel element would only occupy approximately one-third of the north-facing exterior wall.

MOTION: A motion was made by Mr. Keiser and seconded by Mr. Jim Christianson to approve the modification request for the Downtown Design Review application for the building at 307/309 North 3rd Street, The District, with the condition

that any further modifications to the design or approved concept must be reconsidered by the Downtown Design Review Committee prior to implementation. The motion passed unanimously with members Askvig, Christianson, Keiser, Ubl and Walth voting in favor.

CORE INCENTIVE PROGRAM PROJECTS

710 EAST BOWEN AVENUE – TRIPLE J PROPERTIES, LLC

Mr. Tomanek presented the request of Triple J Properties, LLC for assistance from the CORE Technical Assistance Bank grant program for the building at 710 East Bowen Avenue to secure architectural and engineering services to update the existing south-facing façade on a four-tenant commercial building. The property is owned by Triple J Properties, LLC and is legally described as the East 130 feet of Lot 7, all of Lots 8-12 and the East half of the vacated alley adjacent, Block 73, Original Plat.

1. The building is located within the Downtown Tax Increment Financing District.
2. Technical Assistance Bank grant funds may be used to secure professional architectural and engineering services to assist with feasibility studies, the preliminary review and design assistance, renovation vs. restoration opinions, renovation for reuse studies, site selection assistance, preliminary cost estimates, code analysis, landscape improvements and graphic design. The grant amount for an architect is limited to 30 hours of work with a rate of \$110.00 per hour, and a total dollar amount not to exceed \$3,300. Applicants will be responsible for a 25% matching contribution; the total grant amount for architectural services shall not exceed \$2,475. At this time the finite dollar amount has not been established due to the fact that design work will not commence until the final approval from the Board of City Commissioners has been received.

Action on this request was continued at the last meeting due to a lack of information regarding building enhancement versus building maintenance status. The owners are requesting an architectural grant for up to \$2,475 and for engineering services grant not to exceed \$5,775.

Ms. Renae Doan stated that their goal is to make their building an asset to Bismarck. She would like an architect to look at windows and doors, the roof line and water drainage to invest in better efficiencies for tenants and building aesthetics for a more approachable street view and curb appeal. They have already invested over \$100,000 in maintenance efforts and do not want to just repair inefficiencies but rather improve the appearance of the building.

Ms. Johnson from City Assessing noted that regarding the assessment value, windows, doors and retaining walls are generally considered maintenance and do not add to the assessed value of a building.

Mr. Keiser asked what improvements would qualify.

Mr. Tomanek deferred to Ms. Johnson's comments and added that the intention of the grant program is to assist in adding value to the building. Historically, the requests for maintenance were rejected. Mr. Tomanek went on to say the matter seems to lie in the question of whether the building has a different look to enhance curb appeal. The intention of the Technical Assistance grant is to allow for professional design to change the look of the building. This quality may or may not increase the assessed value of the building but it is still within the guidelines of the grant's intent.

Ms. Doan reiterated that they intend to change the look of the building.

Mr. Askvig asked the difference between this request and the application for the building at 114 North 3rd Street regarding repairs for structural integrity, and does the Authority have the written guidelines for the Technical Assistance grant. Mr. Tomanek stated that the application for 114 North 3rd Street was approved because the applicant was proposing significant modification to the ground floor of the façade that included removing elements that were not historically accurate and also incorporating new elements such as a bi-fold door system to allow outdoor seating.

Mr. Christianson asked if other tenants will benefit or be charged differently when the construction is completed. Ms. Doan stated that depending on cost, perhaps, but not necessarily will rent be increased. Ms. Doan also stated that rental space would definitely be more competitive if the building were more welcoming.

MOTION: A motion to recommend approval of a CORE Technical Assistance Bank grant for architectural assistance only was made by Mr. Christianson and seconded by Mr. Keiser for the building at 710 East Bowen Avenue. The motion passed unanimously with members Askvig, Christianson, Keiser, Ubl and Walth voting in favor.

214 EAST MAIN AVENUE – VOLD TIRE COMPANY, LLC

Mr. Tomanek stated that Vold Tire Company, LLC has requested assistance from the CORE Technical Assistance Bank grant program for the building at 214 East Main Avenue to secure architectural and engineering services to design a new façade that would include removing the aluminum awning, highlighting the original brick façade, exposing the transom windows, implementing energy efficient doors and consider improvements to the east-facing exterior wall. The property is owned by Vold Tire Company, LLC and is legally described as Lots 10-11, Block 52, Original Plat.

Mr. Tomanek stated in 2009 the applicant received a CORE Façade Incentive Grant totaling \$3,575, which resulted from the installation of new windows and doors on the south-facing façade.

1. The building is located within the Downtown Tax Increment Financing District.

2. Technical Assistance Bank grant funds may be used to secure professional architectural and engineering services to assist with feasibility studies, the preliminary review and design assistance, renovation vs. restoration opinions, renovation for reuse studies, site selection assistance, preliminary cost estimates, code analysis, landscape improvements and graphic design. The grant amount for an architect is limited to 30 hours of work with a rate of \$110.00 per hour, and a total dollar amount not to exceed \$3,300. The grant amount for engineering services is limited to 70 hours of work with a rate of \$110.00 per hour, and a total dollar amount not to exceed \$5,775. Applicants will be responsible for a 25% matching contribution; the total grant amount for architectural services shall not exceed \$2,475 and the total dollar amount for engineering services shall not exceed \$5,775. At this time the finite dollar amount has not been established due to the fact that design work will not commence until the final approval from the Board of City Commissioners has been received.

Chairman Walth questioned how much Façade Incentive Grant assistance is still available given previous funding. Mr. Tomanek stated that the previous amount would be deducted from the total available amount of \$30,000. He continued by saying there was no previous Technical Assistance application.

Ms. Smith asked if a new tenant is moving into the space. Mr. Eggers responded that a boutique retail store is going into the east vacant space. Mr. Eggers added that the main goal is to restore the brick.

Chairman Walth opened the public hearing. No public comment was received.

There were no additional comments by the Authority members.

MOTION: A motion was made by Mr. Christianson and seconded by Mr. Askvig to recommend approval of a CORE Technical Assistance Bank grant for both architectural and engineering assistance for the building at 214 East Main Avenue by Vold Tire Company, LLC. The motion passed unanimously with members Askvig, Christianson, Keiser, Ubl and Walth voting in favor.

RENAISSANCE ZONE PROJECT -

711 EAST SWEET AVENUE – REHABILITATION – BISMAN COMMUNITY FOOD COOPERATIVE

Mr. Tomanek stated that the applicant is proposing to make renovation improvements to the building to allow for the lease of space by the Bisman Community Food Cooperative to operate a grocery store in the facility. Plans include the demolition of interior walls, the existing flooring and the electrical and plumbing systems. Interior building improvements would include replacement of the flooring, new restrooms, new electrical and plumbing systems, reconfiguration of the HVAC system and the creation of a 2,200 square foot mezzanine level. Exterior improvements include the addition of two windows on the north-

facing façade/storefront, the addition of a new entrance, new cedar siding and aluminum composite metal panels on the north-facing façade and repainting the entire building. Using the proposed 2014 assessed value of the building (\$561,800) and the total investment of \$829,723.60, the level of re-investment is approximately 68 percent. Estimated property tax benefit would be \$38,500 over 5 years at 100% and a \$5,000 estimated state income tax benefit.

1. The proposed use is consistent with the City's Renaissance Zone Development Plan.
2. The proposed exterior rehabilitation is sufficient to eliminate any and all deteriorated conditions on the exterior of the building.
3. Using the proposed 2014 assessed value of the building (\$561,800) and the total investment of \$829,723.60, the level of re-investment is approximately 68 percent.

The property is outside the Downtown Core zoning district and zoned CG-Commercial, so there are no regulations for design standards.

Staff recommends approval of the designation of the rehabilitation of the building at 711 East Sweet Avenue by Jerry & Renae Doan as a Renaissance Zone project, a 100% property tax exemption on the building and improvements for five years beginning with the date of completion, and an exemption from state tax on income derived from the business/investment location for five years beginning with the date of completion, with the following conditions:

1. The project generally conforms to the project description, site plan and conceptual images submitted with the application.
2. All the necessary building and other required permits are obtained prior to commencement of the project.

Mr. Whittey was concerned as to why there is no site plan or landscape plan. Mr. Tomanek explained that because the building is already standing a new site plan was not necessary and because the parking lot already exists that landscaping is not a requirement for the application. Mr. Whittey explained that as a Renaissance project the Authority could request that a new landscape plan be submitted and suggests that the Authority not begin exempting new applicants from showing a landscape plan.

Mr. Breiner mentioned that some trees are there already and that any further requirement would be included in the plan.

Mr. Askvig reminded the Authority that the parking lot on this property has been considered multiple times at City Commission due to variance requests to reduce the required number of parking stalls and requesting a new plan for the parking lot might be unduly burdensome and repetitive.

Mr. Askvig asked if the boulevard trees would remain. Mr. Breiner stated that one was removed to accommodate a new driveway but the rest will remain. He continued by stating that the trees adjacent to the building are staying. Mr. Breiner continued by saying that there is a sidewalk and the roof is in new and in good condition. He concluded by stating that the owners have owned the building since one year after it was built in the 1980s.

Chairman Walth opened the public hearing. No comments were received.

MOTION: A motion was made by Mr. Keiser and seconded by Mr. Askvig to recommend approval of the designation of the rehabilitation of the building at 711 East Sweet Avenue by Jerry & Renae Doan as a Renaissance Zone project, a 100% property tax exemption on the building and improvements for five years beginning with the date of completion, and an exemption from state tax on income derived from the business/investment location for five years beginning with the date of completion, with the following conditions:

1. The project generally conforms to the project description, site plan and conceptual images submitted with the application.
2. All the necessary building and other required permits are obtained prior to commencement of the project. The motion passed unanimously with members Askvig, Christianson, Keiser, Ubl and Walth voting in favor.

711 EAST SWEET AVENUE – BISMAN COMMUNITY FOOD COOPERATIVE – LEASE OF SPACE

Mr. Tomanek stated that the applicant is proposing to lease 10,200 SF of retail space in the building to operate a member-owned full-service grocery store. Improvements would be made throughout the building as the separate Renaissance Zone rehabilitation project discussed previously. The applicant has indicated approximately 25 full-time employment positions would result from the new business location. The estimated state business income tax benefit would be \$25,000 over 5 years.

The property owner has requested the designation of the rehabilitation of the space as a separate Renaissance Zone project. Based on the project architect's estimates, the minimum level of investment required for consideration as a Renaissance Zone rehabilitation project would be exceeded; the estimated price-per-square-foot for the rehabilitation project is approximately \$81.35. The investments made in the rehabilitation of the building negate the requirement for the applicant to exceed a minimum level of investment in the leased space.

The applicant would be occupying space in a building that has been classified as a Renaissance Zone rehabilitation project; therefore, a minimum level of investment is not required. However, the applicant has indicated significant expenditures will be necessary for the specific needs of a retail grocery store such as coolers, shelving, equipment etc. The project completion date is projected for the spring of 2016.

Mr. Christianson requested clarification of the business as a non-profit. Mr. Breiner explained that the Bismarck Community Food Cooperative is a for-profit business but each investor receives equal profit-sharing rather than a minimal or singular number of owners.

MOTION: A motion was made by Mr. Askvig and seconded by Mr. Uhl to recommend approval of the designation of the lease of space in the building at 711 East Sweet as a Renaissance Zone project. The motion passed unanimously with members Askvig, Christianson, Uhl and Walth voting in favor.

RENAISSANCE ZONE BOUNDARY MODIFICATION - UPDATE

Mr. Tomanek stated that, as directed by the Renaissance Zone Authority, the Planning Division mailed 98 letters to property owners along East Front Avenue, East Main Avenue and East Broadway Avenue, seeking feedback and input relating to the expansion of the Renaissance Zone boundary. To date, six property owners have responded to the inquiry, four of which would be in favor of their property being added to the Renaissance Zone.

Mr. Askvig asked if it is fruitful to designate any of the 11 possible blocks. Mr. Tomanek stated that designating blocks as Renaissance Zone without property owner support has not produced favorable results in the past.

Mr. Whittey mentioned that one of the reasons for wanting to designate areas as part of the Renaissance Zone was to encourage rehabilitation.

Chairman Walth stated that the Authority is not mandated to expand the Renaissance Zone, so he suggests waiting for new designations to become apparent from business-owner buy-in.

The general consensus of the Authority members present was to retain the additional 11 blocks until such time as more support for future projects becomes apparent.

OUTSTANDING RENAISSANCE ZONE PROJECTS

Mr. Tomanek mentioned that letters have been sent to project recipients reminding them if their project completion exceeds 12 months past their original tentative project completion date that Renaissance Zone Authority may request an update of the activity. Letters have been sent to the following:

- Project 94-B - Redland, LLC at 401 East Broadway Avenue
- Project 99-B - 200 South 1st Street – purchase with New Construction by Arikota, LP
- Project 103-B – 215 North 3rd Street – Rehabilitation by Norma Apartments, LLC
- Project 16-B – 514 East Main Avenue – Purchase with Improvements by Gulch Holdings II, LLC

Mr. Askvig asked if the Authority has processed any payments or tax deferments as of yet and Mr. Tomanek clarified that no exemptions have been initiated but that new building assessment values by City Assessing will be made after February 1st. The consensus was that applicants should keep the Authority informed of the project activity to-date.

ADJOURNMENT

There being no further business, Chairman Walth adjourned the meeting of the Bismarck Renaissance Zone Authority at 5:10 p.m.

Respectfully Submitted,

Sandra Bogaczyk
Recording Secretary

Curt Walth
Chairman

**RENAISSANCE ZONE AUTHORITY
MEETING MINUTES
February 16, 2016**

The Bismarck Renaissance Zone Authority met on February 16, 2016 in the David J. Blackstead Meeting Room in the City-County Office Building at 221 North 5th Street. Chairman Walth presided.

Authority members present were Josh Askvig, Jim Christianson, Chuck Huber, George Keiser, Todd Van Orman and Curt Walth.

Authority member Jeff Ubl was absent.

Technical Advisors Bruce Whittey and Steph Smith were present.

Staff members present were Jason Tomanek (Senior Planner), Brenda Johnson (Real Property Appraiser), Sandra Bogaczyk (Community Development Office Assistant), and Charlie Whitman (City Attorney).

Guests present were Kate Herzog and Madison Cermak of the Downtowners and Jeffery Feist.

CALL TO ORDER

Chairman Walth called the meeting to order at 4:00 p.m.

MINUTES

The minutes of the January 19, 2016 meeting will be distributed with the agenda packet and considered at the March 15, 2016 meeting.

**DOWNTOWN DESIGN REVIEW – *Façade Alteration*
410 East Front Avenue – Bismarck Parks & Recreation District**

Mr. Tomanek explained that the owner, Bismarck Parks and Recreation District, is proposing to remodel the entrance to a portion of their building at 410 East Front Avenue that is currently leased to the North Dakota League of Cities. He continued that the reason for the remodeling is to eliminate the existing exterior stairs and ramp and replace them with an interior stair and accessible lift. By modifying the entrance they would eliminate the snow and ice issues related to winter conditions.

Mr. Tomanek explained that the exterior finish of the addition would match the EIFS material and color of the previous remodel to blend with the existing material. The entrance remodel will be similar but slightly smaller than the recently completed BAGA entrance of their portion of the building. The design of the new entry would utilize design details from the existing building.

Mr. Tomanek stated that it is no longer an historically significant building. But because it is in the DC - Downtown Core zoning district it is subject to Downtown Design Review.

Mr. Christianson asked what is to happen to the existing ramp. Mr. Feist replied that the existing steps and ramp will be removed and re-built as handicap accessible without losing any parking spaces.

MOTION: A motion was made by Mr. Christianson and seconded by Mr. Keiser to approve the formal Downtown Design Review application for the building at 410 East Front Avenue. The motion passed unanimously with members Askvig, Christianson, Huber, Keiser, Van Orman and Walth voting in favor.

INCOMPLETE RENAISSANCE ZONE PROJECTS – Discussion

Mr. Tomanek stated that letters have been sent to four (4) project recipients providing both confirmation of their project approval by the City of Bismarck and the North Dakota Department of Commerce – Division of Community Services and notice that the project has exceeded the anticipated completion date. Letters have been sent to the following:

- Project 94-B - Redland, LLC at 401 East Broadway Avenue
- Project 99-B - 200 South 1st Street – purchase with New Construction by Arikota, LP
- Project 103-B – 215 North 3rd Street – Rehabilitation by Norma Apartments, LLC
- Project 110-B – 514 East Main Avenue – Purchase with Improvements by Gulch Holdings II, LLC

Mr. Tomanek has heard from all except the owners of the building at 215 North 3rd Street, Project 103-B, managed by Goldmark. Mr. Tomanek stated that he'll be following up with Goldmark Management.

Mr. Tomanek continued that Redland, LLC, Project 94-B, stated that they wish to still make improvements and requested the project is allowed to remain open until more tenants can be obtained.

Mr. Tomanek continued that Project 110-B at 514 East Main Avenue has provided invoices and the project is in the process of being closed.

Mr. Tomanek further explained that Arikota, LP, Project 99-B, has fallen short of its landscaping requirements. Mr. Tomanek stated he would contact the owner to discuss the issue.

Mr. Christianson requested to hear from staff what the process is for nonconforming projects. Mr. Tomanek responded by stating that a letter must be sent and owners have until June 15th to fulfill landscaping requirements, that they are in violation of a zoning regulation.

Mr. Christianson mentioned that property tax benefits would be withheld until the project conforms to the regulations. Mr. Whitman mentioned that their failure to comply could result in a loss of application.

MOTION: A motion was made by Mr. Huber and seconded by Mr. Keiser to approve sending a letter to the property owner regarding required landscaping for Project 99-B, Arikota, LP at 200 South 1st Street to conform to the zoning requirement. The motion passed unanimously with members Askvig, Christianson, Huber, Keiser, Van Orman and Walth voting in favor.

RENAISSANCE ZONE PROGRAM STATE EXTENSION PROCEDURES - Update

Mr. Tomanek explained that there are necessary procedures a community must follow to apply for an extension of the Renaissance Zone program which is set to expire on May 1, 2016. The 2013 North Dakota legislative assembly amended the law to allow communities to apply for a 5-year extension of the program if the following steps are followed per NDCC 40-63-03.1.

1. Updated development plan, including an updated inventory
2. Explanation of why the extension is needed
3. Letters of support from the school district and county
4. Results of the public hearing
5. City council minutes documenting approval

Mr. Keiser stated that people need to look at the tax returns over 10 years, not five years in order to see the benefits for the city as a whole. He continued that as time goes on it pays immensely to the city tax base and that the Authority needs to convey that fact to anyone unable to see the long-term benefits.

Mr. Christianson stated that a public information session could be arranged to educate the public on the benefits of having a Renaissance Zone.

Mr. Askvig stated that a City Commission public hearing would already provide an equal opportunity for arguments to be voiced and information to be disseminated.

Mr. Keiser also mentioned that the Authority has not yet fulfilled its greatest goal, to affect housing.

Mr. Keiser mentioned that the financial returns to the City do not appear until after 5 to 10 years have passed once a property returns on the tax collection rolls.

Mr. Askvig stated his support in using the data already collected from staff to show the benefits that property tax incentives provide to the city's tax base.

MOTION: A motion was made by Mr. Christianson and seconded by Mr. Keiser to instruct staff to proceed with the application for extending the duration of the renaissance zone status for the City of Bismarck for five (5) years and also making a recommendation to City Commission for that extension. The motion passed unanimously with members Askvig, Christianson, Huber, Keiser, Van Orman and Walth voting in favor.

DOWNTOWN UPDATE PROVIDED BY THE DOWNTOWNERS ASSOCIATION

Ms. Herzog stated that the Downtowners Association has been asked by the Chairman of the Downtown Master Plan Implementation Team to initiate project development steps relating to the trail connection between downtown and the Missouri River. She stated that in working with City of Bismarck Parks and Recreation Staff and Bartlett and West Staff the RailTrail plan will most likely not be in the railroad right-of-way and that within the next two months a recommendation should be finalized.

Ms. Herzog also stated that the 6th Street Cultural Trail group working with Planning staff, North Dakota Humanities Council, North Dakota Council on the Arts, State Historical Society, Heritage Center and the Bismarck Historical Society to connect the downtown to the Capitol grounds and the Heritage Center had its first meeting. The group discovered that 6th Street alone should be expanded to a larger scope. As the group identifies places of interest they will form a trail according to those places.

Ms. Herzog stated that her organization is concerned about the negative image the Renaissance Zone has been given by a few detractors, and supports finding a way to market the Renaissance Zone program's benefits.

There was a consensus that the efficiencies created by downtown development cannot be re-created with new construction and that the marketing of both that comparison and the difference between tax increment financing versus sales tax increase must be explained with more clarity and conviction so that a lack of knowledge does not influence city financial planning.

OTHER BUSINESS

Mr. Huber asked if the Authority has any new information on the Quiet Zone construction.

Mr. Askvig stated that the City is in a waiting pattern and plans for the improvement project are with the Burlington Northern Santa Fe railroad (BNSF).

Mr. Whitman stated that BNSF has not stated anything but when information is made available the issue will be discussed formally.

ADJOURNMENT

There being no further business, Chairman Walth adjourned the meeting of the Bismarck Renaissance Zone Authority at 4:55 p.m.

Respectfully Submitted,

Sandra Bogaczyk
Recording Secretary

Curt Walth
Chairman



Community Development Department

MEMORANDUM

TO: Chairman Walth and Renaissance Zone Authority

FROM: Jason Tomanek – Senior Planner *JT*

DATE: March 10, 2016

RE: Renaissance Zone Project Status – 711 East Sweet Avenue

The purpose of this memo is to provide an update for two Renaissance Zone projects that were recently considered by the Renaissance Zone Authority and the Board of City Commissioners. The projects are the rehabilitation of the building at 711 East Sweet Avenue by Jerry & Renae Doan and the subsequent lease project by the Bismarck Community Food Cooperative. These projects were reviewed at the January Renaissance Zone Authority and Board of City Commissioners meetings.

At this time, neither project has been submitted to the North Dakota Department of Commerce - Division of Community Services for review because the necessary documentation from the building owner was not submitted to the Planning Division until February 29, 2016; the missing form was the State Tax Department's Certificate of Good Standing from the property owner. This document is a required item that each Renaissance Zone applicant must provide to the Planning Division. Much of the interior rehabilitation work has been initiated without the tentative approval of the North Dakota Department of Commerce - Division of Community Services. This work cannot be counted toward the required level of investment to qualify for a Renaissance Zone rehabilitation project, and it appears that the remaining work would not meet the investment requirements for a rehabilitation project. However, the lease project for the Bismarck Community Food Cooperative could still be considered as a viable project, provided the remaining work to be performed meets or exceeds the minimum level of investment required for lease projects; this amount is \$30 per-square-foot for a total investment of \$306,000.

I have notified the project architect of the concerns. The request is to consider the remaining work to be completed with the renovation project and to determine the viability of the lease project for the tenant. The architect will be present to provide documentation of the work performed and the remaining level of investment that could be considered applicable to the lease project.





Community Development Department

MEMORANDUM

TO: Chairman Walth and Renaissance Zone Authority

FROM: Jason Tomanek – Senior Planner *JT*

DATE: March 10, 2016

RE: Renaissance Zone Project Status – 200 South 1st Street | Arikota, LP

The purpose of this memo is to provide an update for the purchase with new construction project by Arikota, LP at 200 South 1st Street. The construction of a new commercial building was completed in 2014. Documentation of the work performed was provided to the Planning Division on February 1, 2016. Upon inspection of the work performed, it was noted that the required landscaping and screening materials were not installed according to the approved landscape plan that was reviewed and approved by City staff in August 2013. In particular, some landscape materials were installed throughout the site; however, there are portions of the perimeter parking lot landscape areas that are deficient of plant material and the site does not meet the minimum required plant units as defined by the Landscaping and Screening Ordinance, Section 14-03-11(8) of the City Code of Ordinances.

Please refer to the attached site plan that highlights the areas found to be lacking the required plant material. Staff is requesting direction from the Renaissance Zone Authority regarding the applicant's request to close-out the Renaissance Zone project.

A representative from Arikota, LP will be present at the meeting to address any questions.





Community Development Department

MEMORANDUM

TO: Chairman Walth and Renaissance Zone Authority

FROM: Jason Tomanek – Senior Planner

DATE: March 10, 2016 *JT*

RE: Renaissance Zone Program State Extension Procedures

The purpose of this memo is to provide information relating to the necessary procedures a community must follow to apply for an extension of the Renaissance Zone program. The Renaissance Zone program was initially established as with a 15 year sunset. The City of Bismarck's Renaissance Zone program is set to expire on May 1, 2016.

The 2013 legislative assembly amended the law to allow communities to apply for a 5-year extension of the program. Attached to this memo is a letter from the North Dakota Department of Commerce - Division of Community Services which outlines the steps that will need to be taken to request the extension of the program in Bismarck.

Attached is a draft version of the updated Development Plan for the City of Bismarck's Renaissance Zone program. The revised text is highlighted with proposed additions marked with an underline and proposed removals struck through.

The revised Development Plan would need to be considered by the Board of City Commissioners in conjunction with a public hearing. In addition to the public hearing, the Development Plan would need to be submitted to the North Dakota Department of Commerce - Division of Community Services for review along with letters of support for the Renaissance Zone program from the Bismarck Public School District and Burleigh County.



**BISMARCK RENAISSANCE ZONE
DEVELOPMENT PLAN**

Submitted by the City of Bismarck's Renaissance Zone Authority

November 22, 2000

Revised: March 30, 2001

Revised: November 13, 2003

Revised: September 28, 2004

Revised: April 10, 2007

Major Revision: June 12, 2012

Revised: June 1, 2013 – Boundary Modification

Revised: April XX, 2016 – 5-Year Extension Request

Renaissance Zone Development Plan – Revision 7-8

| | |
|--|----|
| 1. Introduction | 1 |
| 2. History of Bismarck’s Renaissance Zone..... | 1 |
| I. Narrative and Overview | 1 |
| II. Renaissance Zone Boundaries | 1 |
| III. Downtown Bismarck..... | 2 |
| 3. Map | 3 |
| I. Geographic Boundaries and Blocks | 3 |
| II. Description of Properties..... | 3 |
| III. Potential Renaissance Zone Projects | 3 |
| 4. Description of Physical and Historical Assets of the Renaissance Zone | 4 |
| 5. Major Milestones, Benchmarks, Goals and Objectives | 5 |
| I. Major Milestones and Benchmarks | 5 |
| II. Goals and Objectives..... | 5 |
| 6. Management Strategies, Development and Promotion | 9 |
| I. Project Selection and Review | 9 |
| II. Minimum Criteria for Project Approval | 9 |
| III. Administration of the Renaissance Zone Program | 12 |
| IV. Promotion and Marketing | 14 |
| 7. Utility Infrastructure Projects | 14 |
| 8. Renaissance Zone Fund Organization..... | 15 |
| 9. Evidence of Community Support | 15 |

1. Introduction

This Development Plan for the Bismarck Renaissance Zone is a ~~major~~ revision to the Plan first developed in late 2000, ~~the Development Plan which~~ has been revised and updated over the years, ~~but there was a desire to simplify the Plan and make it more user-friendly. This document is the result of that effort.~~ The purpose of this revision is to satisfy the requirements to request a 5-year extension of the Renaissance Zone program. This document is meant to update the original Renaissance Zone Development Plan adopted by the City of Bismarck and approved by the North Dakota Department of Commerce - Division of Community Services in May 2001. The following items have been updated, amended or included during this process:

- Renaissance Zone Boundary
- ~~Utility Infrastructure Incentives~~
- Goals and Objectives
- Milestones and Benchmarks
- Completed Blocks

2. History of Bismarck's Renaissance Zone

I. Brief Narrative/Overview of Committee Work

In February 2000, the Bismarck Board City Commissioners created a Renaissance Zone Advisory Committee to consider the establishment of a Renaissance Zone in Bismarck. Over the course of eight months the Committee held meetings to identify an area that would most benefit from being included in the Zone. Initially, the Committee examined an area extending from 26th Street on the east to the western corporate limits, including several blocks north and south of Main Avenue. After further discussion, an inventory of properties and a survey of property owners, the Committee concluded that the Zone should be located in the downtown area. As in most communities, Bismarck's downtown area has been impacted by commercial development on the periphery of the city. While property values in the downtown area had remained relatively steady, the number of vacant buildings was on the rise.

II. Renaissance Zone Boundaries

The Renaissance Zone was established in May 2001 with the acceptance of the first Development Plan by the North Dakota Department of Commerce – Division of Community Services. The original Zone encompassed 21½ blocks in the downtown area of the community. The Zone was expanded by 11 blocks in November 2003 and by another three blocks in February 2008. In June 2013 the boundary of the Zone was modified to remove four blocks that were deemed complete and to include four new blocks of property. Both Each of the

~~expansions~~ modifications were based on changes to the State's enabling legislation.

III. **Downtown Bismarck**

Bismarck's downtown area is located in the center of the community and within one-half mile of the State Capitol to the north and Kirkwood Mall (a regional shopping center) to the south. The downtown is well connected by roads, with Washington Street, 7th Street, and 9th Street serving as the main north-south routes linking downtown with Interstate 94 and the Bismarck Municipal Airport. Rosser Avenue, Main Avenue, Broadway Avenue and Front Avenue serve as the main east-west routes linking downtown to the Dakota Zoo and recreation areas along the Missouri River. While Bismarck has been fortunate in the fact that its downtown has not had the level of deterioration that many downtowns have seen over the years, the City of Bismarck recognizes that its involvement is needed to ensure the continued viability of the downtown. Starting with the development of the Central Business District Plan in 1993 and continuing with the 2013 Downtown Bismarck Subarea Plan, a variety of projects and programs have worked together to stimulate new development in the downtown area and maintain the vitality of the heart of our community. Since the establishment of the Renaissance Zone in 2001, the City has seen a significant investment in the core of the community and this investment is expected to continue with on-going participation in the program.

The City of Bismarck utilizes two distinct zoning districts within the downtown area, the DC-Downtown Core District and DF-Downtown Fringe District. The purpose of the downtown zoning districts is to preserve and enhance the mixed-use, pedestrian-oriented nature of the City's downtown area. The two zoning districts allow a wide range of mutually supportive uses in order to enhance downtown Bismarck's role as a commercial, cultural, governmental, health/medical, entertainment and residential center. The districts also facilitate the creation of a strong and distinctive sense of place through the inclusion of open space and public plazas. The use of ~~design standards~~ the Downtown Design Guidelines (2015) help to maintain the historical integrity, enhance the quality of design and preserve the human-scale development of downtown Bismarck. Many of the properties within the Renaissance Zone are also located within the DC-Downtown Core or DF-Downtown Fringe zoning districts.

3. **Map**

I. **Geographic boundaries and blocks**

- a. The map has been attached as Appendix A (updated)
- b. Legal descriptions
 1. Blocks 13, 15, 16, 21, and 24, Northern Pacific Addition

2. Blocks 4, 6, 8, 10, 12, 13, 16, 30, 37, 40, 41, 42, 43, 44, 46, 48, 49, 50, 51, 52, 54, 56, 58, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 71, 73, 75, 84, 104, 106, 108, 110, 116, and 122, Original Plat
 3. Blocks 35 and 37, Williams Survey
 4. Block 5, Wachters Addition
 5. Tracts along the south side of Main Avenue between South 9th Street and Airport Road in Williams Survey, Sturgis Addition and Governor Pierce Addition
- c. Blocks identified by just a number are original blocks from 2001; blocks identified by a number and the letter "A" are blocks added in 2003; and relocated in 2013; blocks identified by a number and the letter "B" are blocks added in 2007; and the block identified by a number and the letter "C" was added in 2011 when a block originally added in 2003 was deemed complete, removed from the boundary and relocated within the contiguous Renaissance Zone boundary.
 - d. When the Renaissance Zone Act was initially adopted by the State legislature it did not provide for changes or modifications to the boundaries of a Renaissance Zone. During the 2009 legislative assembly it was recognized that more flexibility may be necessary. Cities are now able to request changes to their Renaissance Zone boundary. Changes may include removing blocks that have been determined "complete" or "non-progressing" and relocating the subsequent block elsewhere within the contiguous boundary.

II. Description of properties/structures on each block and present use and conditions of the properties/structures in the Zone

- a. A spreadsheet with current information has been attached as Appendix B

III. Identify properties/structures to be targeted for potential Zone projects

- a. The following properties represent potential Renaissance Zone projects. The list is not meant to be all encompassing and is not intended to limit or restrict opportunities for property owners wishing to participate in the Renaissance Zone Program.
 - Expansion of hotel at 605 East Broadway (Block 22)
 - Rehabilitation of residential properties in 500 block of 3rd Street North (East half of Block 2)
 - Rehabilitation/renovation of mixed-use/warehouse building at 200 West Main (Block 15)
 - Renovation of bank/office building at 400 4th Street North (Block 13)
 - Exterior improvements to retail businesses in 200 block of East Main (South half of Block 18)

- Rehabilitation of retail/residential building at ~~101~~ 501 East Main (Block 21)
- Rehabilitation of commercial building at 411 North 4th Street (Block 5)
- Redevelopment of 500 block of 5th Street North ~~as senior housing facility~~ (East half of Block 3)
- ~~Redevelopment of properties in 200 block of East Main (South half of Block 18)~~
- ~~Rehabilitation of retail/office building at 123 4th Street North (Block 20)~~
- Rehabilitation of facility at 122 East Thayer Avenue (Block 6)
- Rehabilitation of office building at 418 East Rosser Avenue (Block 5)
- Rehabilitation of vacant building at 100 East Thayer Avenue (Block 6)
- Redevelopment at 700 East Main Avenue (Block 4B)
- ~~Redevelopment at 100 West Main Avenue (Block 16)~~
- Redevelopment/rehabilitation of 102 East Main Avenue – (Block 17)
- Redevelopment of the property at 630 East Main Avenue – (Block 22)
- ~~Rehabilitation of the building at 815 East Main Avenue – (Block 1C)~~
- The 200 block along the north side of Avenue A – (Block 2)
- ~~The south ½ of Block 46, Original Plat – The area bounded by 5th Street, Main Avenue, 6th Street and the alley – currently contains retail and limited apartments (Block 21)~~
- ~~Block 68, Original Plat – The block that the City/County Office Building occupies – currently much is owned by Medcenter One and functions as off-street parking (Block 3B)~~
- Block 75, Original Plat – The block bounded by 8th Street, Bowen Avenue, 9th Street and Sweet Avenue – a large portion of the block is currently undeveloped (10A)
- Block 84, Original Plat – The block bounded by Washington Street, Broadway Avenue, Mandan Street and Thayer Avenue (Block 10)
- ~~Rehabilitation of the building at 520 East Main Avenue – (Block 46)~~

4. Description of physical/historical assets of the Zone

- I. Many of the blocks comprising the Renaissance Zone contain historically significant structures. In February 2000, the *Historical Architectural Inventory and Evaluation of Downtown Bismarck, North Dakota* report was completed. The report contains an extensive evaluation of downtown Bismarck as a historical district and a description of National Register-eligible properties. (See Appendix C). Attractive natural features are also an element in some of the blocks, particularly the County Courthouse and Camp Hancock landscaped areas. It is the intent of the Development Plan to promote the growth and redevelopment of the downtown area through, among other strategies, the preservation and improvement of such assets.

5. Major Milestones, Benchmarks, Goals and Objectives

I. Major Milestones or Benchmarks

The following milestones and benchmarks will serve to monitor the progress of the Renaissance Zone program and the redevelopment efforts for downtown Bismarck. The milestones and benchmarks are intended to be reviewed and amended on a bi-annual basis.

- Housing – Focus on increasing market rate apartments, condominiums, and owner-occupied housing stock. In 2014, 17 residential condominiums were added to the downtown housing stock within the mixed-use building identified as Broadway Centre located at 100 West Broadway Avenue.
- Services – Maintain or add one marketplace or retail store that offers basic food commodities including dairy products, fresh produce and general grocery items. In 2016, a locally owned community food cooperative received Renaissance Zone designation and is being established at 711 East Front Avenue.
- Retail/Commercial – Promote the rehabilitation of existing structures into mixed-use facilities and add 20,000 square feet of new commercial space.
- Employees – Increase employment by 10% (full-time equivalencies). 270 465 full-time or full-time equivalent employment positions have been created within the Renaissance Zone since its creation.
- Infrastructure Liabilities – Assess current and future liabilities associated with existing public utilities and infrastructure.

II. Goals and Objectives

The goals for the Renaissance Zone are consistent with the Central Business District Plan (1993) and the Downtown Bismarck Subarea Plan (2013) and will guide future Zone marketing campaigns. This section presents basic goals for improvement and redevelopment in the Renaissance Zone. The goals and objectives were derived from a vision survey, issues workshop and analysis phase of the planning process and were prioritized by the Renaissance Zone Advisory Committee in conjunction with the preparation of the original Development Plan in 2000. The goals and objectives were reaffirmed and updated, as needed, in 2011, 2013 and 2016.

The following goals and objectives relate to various components of the downtown environment, including its role and function, economic development, overall form and physical arrangement, transportation, design and appearance. The strategies provide the basic framework for the program and will guide all decisions related to the redevelopment of downtown.

A. Establish the Renaissance Zone as the Center of Business Life, Government and Cultural Opportunity for the Bismarck Region.

1. Maintain the Zone as a mixed-use area accommodating a wide range of retail, governmental, service and residential functions.
2. Promote continued support for redevelopment activities in the Zone.
3. Promote and advocate activities and programs that meet the needs of varied age, interest, and socioeconomic groups at all times of the day and night and throughout the year.
4. Create centrally located public open spaces in the Zone for cultural events and gathering spaces.
5. Create an organized system of open spaces and linkages to provide a framework for the Zone.
6. Locate major cultural facilities such as the library, theater and the like in the Zone.
7. Create an identity for the Zone through consistent and complementary design practices within the design standard provisions of as outlined in the Downtown Design Guidelines (2015) for the DC-Downtown Core and DF-Downtown Fringe zoning districts.

B. Promote the Renaissance Zone as the Preferred Location for Hotel, Class A Office Buildings, Specialty Retail, Government and Institutional Uses.

1. Examine the possibility of providing incentives, such as financing for new development. Public/private joint ventures and other unique approaches to redevelopment should be encouraged.
2. Identify unique businesses, events, and other attractions that may be feasible in the Zone.
3. Encourage the location of governmental, financial institutions and other service functions in the Zone.

C. Maximize Accessibility of the Renaissance Zone from Throughout the Region and Provide Safe, Convenient, and Attractive Circulation Within the Zone.

1. Provide adequate and convenient on- and off-street parking for all uses within the Zone.
2. Provide adequate and convenient traffic circulation in and around the Zone without disadvantaging its role as a destination point.
3. Provide for safe, comfortable surface and second level pedestrian circulation within the Zone.
4. Continue to explore opportunities for second level pedestrian walkways throughout the Zone.

D. Arrange Compatible Land Uses in Compact and Orderly Ways to Enhance the Functions of the Renaissance Zone.

1. Reinforce emerging entertainment, medical, office/service and retail districts with compatible land uses.
2. Concentrate redevelopment in the Zone.
3. New office and retail space should be concentrated around existing buildings.
4. Any new construction, including parking structures, should include street level retail and service uses.
5. Encourage redevelopment of the upper levels of existing buildings as residential apartments and lofts and identify sites for new multi-family residential.
6. Plan for the expansion of major institutional facilities in an orderly manner to minimize the impact on existing land uses.
7. ~~Further explore the opportunity for second level pedestrian walkways.~~

E. Encourage a Zone That Upholds Bismarck's Heritage as Well as Recognizes and Takes Advantage of its Pattern of Development.

1. Develop strategies for public and private financing of improvements.
2. Identify potential developers and adaptive reuses for historically significant buildings.
3. Promote historic and unique buildings to potential tenants and tourists.
4. Encourage redevelopment within the ~~design standard~~ provisions of the DC-Downtown Core and DF-Downtown Fringe zoning districts and the Downtown Design Guidelines (2015) that is at the same rhythm, scale, and mass as the existing buildings and circulation network in the Zone.

F. Achieve High Quality in the Design and Visual Appearance of the Renaissance Zone.

1. Create a Zone framework that establishes urban, architectural, site design and signage guidelines that reinforce the unique, positive aspects of Bismarck's history and architecture.
2. Utilize the following plans as the framework from which to base redevelopment decisions:
 - Central Business District Plan (1993)
 - Comprehensive Plan
 - Renaissance Zone Development Plan
 - Streetscape Guidelines for Downtown Bismarck (1995)

- Historic Architectural Inventory and Evaluation of Downtown Bismarck, North Dakota (2000)
 - DC-Downtown Core and DF-Downtown Fringe Zoning Regulations (2006 and subsequent revisions)
 - Downtown Bismarck Subarea Plan (2013)
 - Downtown Design Guidelines (2015)
3. Preserve the integrity of the city's architectural and open space landmarks including the Burleigh County Courthouse, historic Northern Pacific train depot, Belle Mehus City Auditorium, World War Memorial Building and the Patterson Hotel.
 4. Establish Continue the implementation of a cohesive system of streetscape treatments that reinforce a sense of human scale and balance between pedestrian and automobile space.
 5. Continue to encourage public art in the downtown streetscape and public spaces that contributes to Bismarck's unique character and sense of place.
 6. Continue efforts to promote compliance with the landscaping and screening ordinance and the overall greening of downtown through cooperative efforts with the City Forester and private property owners to increase vegetation in downtown within the Zone.

G. Promote the Renaissance Zone as a Location for Increased Housing Opportunities

1. Promote the Renaissance Zone as a location for new housing opportunities within the community.
2. Initiate a Continue public outreach and educational efforts to publicize the use of the Renaissance Zone Program for housing projects, including presentations to organizations such as the Bismarck-Mandan Apartment Association, Bismarck-Mandan Board of Realtors, engineering and architectural firms, the IDEA Center, Small Business Association, title companies and financial lenders.
3. Continue to support the creation of market-rate rental housing and owner-occupied housing choices to create balance in the downtown housing market.
4. Maintain a safe and attractive environment for downtown residents.
5. Maintain the existing infrastructure and support improvements as needed to support an increased downtown population.
6. Support the establishment implementation of a Quiet Rail Zone.
7. Support the continuation of existing retail and the establishment of new retail and service businesses that would bolster a downtown neighborhood, including a marketplace that offers basic food commodities including dairy products, fresh produce and general grocery items.

6. Management Strategies, Development and Promotion to Maximize Investment in the Zone

I. Individual Project Selection and Review.

The initial review of each qualifying project (as determined by the minimum criteria outlined below) will be coordinated by the Renaissance Zone Authority and the City's Community Development Department. The review process will be used as a way to screen those projects qualifying as an approved for designation as a Renaissance Zone activity project.

II. Minimum Criteria for Project Approval

In order to qualify for consideration as a Renaissance Zone project, a proposal must meet the following criteria, regardless of whether or not the project involves a new purchase (by an individual or group of investors) or an existing ownership arrangement. A transfer of property ownership will not automatically qualify a transaction as an approved project. The intent of the criteria is to encourage and reward significant levels of investment in Renaissance Zone properties.

A. Proposals involving existing buildings (including residential)

1. Use consistent with the Goals and Objectives of the Development Plan.
2. Exterior rehabilitation is sufficient to eliminate any and all deteriorated conditions visible on the exterior of the building.
3. For rehabilitation projects – a level of re-investment totaling not less than fifty percent (50%) of the current true and full valuation of the building for commercial properties and a level of re-investment not less than twenty percent (20%) for single-family homes.
4. The square footage used to calculate the required investment level will be based on the square footage of the entire building, including partial floors such as a mezzanine, and excluding the basement.
5. Capital improvements must include capital expenses, defined as the cost incurred for the repair, replacement or renovation of a building's exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/air conditioning systems, windows, exterior doors, elevator improvements and accessibility. The required per-square-foot financial investment will be based on a current market-rate assessment of new construction costs in the community. The Bismarck Renaissance Zone Authority will review these values on an annual basis and establish an appropriate per-square-foot investment requirement.
6. Verification of a person's primary residence would be accomplished with a self-certification statement on the application form.

B. Proposals involving new construction or additions

1. Use consistent with the Goals and Objectives of the Development Plan.
2. The required per-square-foot financial investment will be based on a current market-rate assessment of new construction costs in the community. The Bismarck Renaissance Zone Authority will review these values on an annual basis and establish an appropriate per-square-foot investment requirement.

C. Proposals involving the purchase of commercial property with improvements

1. Use consistent with the Goals and Objectives of the Development Plan.
2. The level of re-investment made through capital improvements only, not the purchase price of the property or cosmetic improvements, will determine the percentage of property tax exemption.
3. The square footage used to calculate the required investment level will be based on the square footage of the entire building, including partial floors such as a mezzanine, excluding the basement.
4. Capital improvements must include capital expenses, defined as the cost incurred for the repair, replacement or renovation of a building's exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/ air conditioning systems, windows, exterior doors, elevator improvements and accessibility.
5. The following matrix provides guidelines for the consideration of purchase with improvements Renaissance Zone projects. The Renaissance Zone Authority has the discretion to deviate from these guidelines on a case-by-case basis if specific building condition and/or other project specific factors warrant.

| Level of Re-investment* as a Percentage of the City's Assessed Building Value | Percentage of Property Tax Exemption |
|---|---|
| Less than 10% | 0% |
| 10% to 22% | 40% |
| 20% to 34% | 60% |
| 36%-49% | 80% |
| 50% & More** | 100% |

* The level of re-investment includes capital improvements only, not the purchase price of the property or cosmetic improvements. The Renaissance Zone Development Plan defines capital improvements as the cost incurred for repair, replacement or renovation of a building's exterior, roof,

structure, electrical and/or plumbing systems, heating/ventilation/air conditioning systems, windows, exterior doors, elevators and other accessibility improvements. The Renaissance Zone Authority may also consider other improvements that are a permanent and integral part of the building, as well as site improvements needed to correct drainage problems that have resulted in damage to the building.

****Projects meeting or exceeding the 50% re-investment level required for a commercial/ investment rehabilitation project will be classified as a purchase with major improvements project and will be eligible for the same incentives as a rehabilitation project.**

D. Proposals involving a commercial lease (tenancy, not ownership)

1. Use consistent with the Goals and Objectives of the Development Plan.
2. Must be a new or expanding business moving into the Renaissance Zone, an existing business expanding within the Renaissance Zone or the continuation of a lease by an existing Renaissance Zone tenant in a building rehabilitated as an approved Renaissance Zone project.
3. A financial per-square-foot investment made by either the property owner(s) or the lessee is required for projects that are not within a building rehabilitated as an approved Renaissance Zone project. The required per square-foot financial investment will be based on a current market-rate assessment of new construction costs in the community. The Bismarck Renaissance Zone Authority will review these values on an annual basis and establish an appropriate per square-foot investment requirement. A per-square-foot investment is not required for commercial lease projects located within a building that has been designated as a Renaissance Zone project; however, the rehabilitation work must be completed before the lease project's owner can take possession of the leased space.
4. Lessee improvements can include capital expenses, defined as the cost incurred for the repair, replacement or renovation of a building's exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/ air conditioning systems, windows, exterior doors, elevator improvements and accessibility. Lessee improvements can also include cosmetic improvements, such as interior remodeling or updates.

E. Proposals involving a single-family dwelling

1. The project review and approval process used for single-family residential projects will follow the guidelines specified above for existing buildings and for new construction or additions. Verification of a person's primary residence would be accomplished with a self-certification statement on

the application form.

2. The following matrix provides guidelines for the consideration of purchase with improvements Renaissance Zone projects. The Renaissance Zone Authority has the discretion to deviate from these guidelines on a case-by-case basis if specific building condition and/or other project specific factors warrant.

| Level of Re-investment* as a Percentage of the City's Assessed Building Value | Percentage of Property Tax Exemption |
|---|--------------------------------------|
| Less than 5% | 0% |
| 5% to 9% | 40% |
| 10% to 14% | 60% |
| 15%-19% | 80% |
| 20% & More ** | 100% |

* The level of re-investment includes capital improvements only, not the purchase price of the property or cosmetic improvements. The Renaissance Zone Development Plan defines capital improvements as the cost incurred for repair, replacement or renovation of a building's exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/air conditioning systems, windows, exterior doors, elevators and other accessibility improvements. The Renaissance Zone Authority may also consider other improvements that are a permanent and integral part of the building, as well site improvements need to correct drainage problems that have resulted in damage to the building.

**Projects meeting or exceeding the 20% re-investment level required for a commercial/ investment rehabilitation project will be classified as a purchase with major improvements project and will be eligible for the same incentives as a rehabilitation project.

III. Administration of the Renaissance Zone Program

1. The City of Bismarck will administer all Zone activities through the Community Development Department – Planning Division. The Renaissance Zone Authority will review all applications and/or proposals. The Authority is composed of seven voting members (appointed by the Mayor and approved by the Board of City Commissioners) and two non-voting technical advisors (selected by the appointed Authority members). The appointments are staggered with a term of

three-years. The ex-officio appointment runs concurrent with the Commissioner's term in office. Authority appointments are considered from the following areas of interest:

- One representative from the Board of City Commissioners
- Six at-large representatives from the private sector
- Two technical advisors

Information dissemination, application and eligibility requirements will be the responsibility of the Community Development Department – Planning Division. The Planning Division will accept applications for the Renaissance Zone Program. If it is determined that the application is complete and the proposed project generally meets the requirements for a Renaissance Zone project, a public hearing will be scheduled before the Renaissance Zone Authority at their next **available** regular scheduled meeting. A staff report detailing the project will be provided to the Authority along with a staff recommendation for action. The staff report identifies the goals and objectives met by the project to determine the public benefit. A notice of the hearing will be placed in the official city newspaper once each week for two consecutive weeks prior to the hearing. A notice of hearing will also be sent to all property owners within 350 feet of the proposed project at least 10 days prior to the public hearing.

The Renaissance Zone Authority will hold regular monthly meetings to hear and discuss applications and proposed projects. During these hearings, the applicant or his/her representative may make an oral presentation to the Authority. Other interested parties may also make oral presentations either supporting or opposing the application. In order to expedite the hearing process, it is suggested that any written materials and/or comments be submitted to Community Development Department – Planning Division prior to the hearing. Following the hearing, the Renaissance Zone Authority will either continue deliberations to a future meeting or make a recommendation on the proposed project to the Bismarck Board of City Commissioners.

A recommendation from the Renaissance Zone Authority will be placed on the next available agenda of the Bismarck Board of City Commissioners. The Bismarck Board of City Commissioners will have final **City** approval authority for all Renaissance Zone projects.

Upon approval of a Renaissance Zone project by the City, the project must also be approved by the North Dakota Department of Commerce - Division of Community Services.

Community Development Department – **Planning Division** staff will continue to work with the applicant to ensure the project is completed as proposed and that all required documentation is submitted. Any material change to an approved

Renaissance Zone Project, including changes to building materials, building elevations or site design, must be approved by the Renaissance Zone Authority prior to implementation. An approved Renaissance Zone Project not completed within 12 months of the anticipated completion date is subject to review by the Renaissance Zone Authority.

The Community Development Department – Planning Division will document and maintain information on each Renaissance Zone project. The information collected will support the North Dakota Department of Commerce - Division of Community Services guidelines for reporting and documentation. The Community Development Department – Planning Division will provide an annual activity and monitoring report to the North Dakota Department of Commerce - Division of Community Services for each Renaissance Zone project approved from the previous calendar year.

IV. Promotion and Marketing of the Renaissance Zone Program

- I. Promotion and marketing of the Renaissance Zone Program will be an important part of the Development Plan. Promotion efforts will be coordinated between the Community Development Department – Planning Division, The Downtown Business Association, property owners, developers, commercial realtors and business organizations. It is important to note that the City of Bismarck will be a partner in promoting the Renaissance Zone Program, but not to the extent that the City's efforts will supplant the responsibility of property owners and developers to create and promote projects.

7. Boundary Modification

- I. The 2015 Legislature passed a bill to allow communities to increase the maximum number of blocks contained in the Renaissance Zone. After extensive outreach and consideration, the Renaissance Zone Authority determined the additional 11 blocks allowed by this change to the enabling legislation would not be implemented at this time due to a lack of potential projects and limited property owner interest in the areas considered. The Renaissance Zone Authority reserves the right to utilize the additional blocks in the future, provided significant interest and support for new projects materializes.

8. Utility Infrastructure Projects

- I. The 2009 Legislature passed a bill that would allow a portion of the investment required to bury overhead utility lines to be applied to the overall Renaissance Zone investment requirements. The exemptions apply to regulated industry that includes, but is not limited to, electrical, gas lines and communication

infrastructure. It does not apply to utility infrastructure that a property owner pays special assessments to the City for a specified period of time such as water, sewer or pavement improvements.

a. What criteria will be used to approve infrastructure projects

1. Minimum of 80% of the project investment be used toward capital improvements to the building and a maximum of 20% of the project investment can be used toward undergrounding utilities.
2. The overall project investment must meet the established minimum investment criteria for the type of project specified.

b. How will the City of Bismarck monitor projects in and outside the Zone

1. The Community Development Department will monitor all Renaissance Zone projects and projects outside the Zone through on-site building inspections conducted in conjunction with the rehabilitation projects. Additionally, all Renaissance Zone project costs and expenses must be verified prior to the submittal of final project documentation to the North Dakota Department of Commerce - Division of Community Services.

c. Determine the tax credits available to property owners affected by the utility infrastructure project

1. Applicants are eligible to receive up to a 100% property tax exemption on the building and improvements for five years beginning with the date of completion, and an exemption from state tax on income derived from the business/investment location for five years beginning with the date of completion

d. City must agree to work with the State Board of Equalization to determine the property tax exemption for utility projects and state the exemption in the Plan

9. Renaissance Fund Organization

- I. The City of Bismarck has, at the present time, elected not to create a Renaissance Fund Organization. The City of Bismarck does, however, reserve the right to create, develop or contract with a Renaissance Fund Organization.

10. Evidence of Community Support from Residential and Business Interests

- I. There is broad-based support for the Renaissance Zone from residential and business interests. Appendix D includes letters of support submitted during the preparation of the original Development Plan in 2000; and the boundary expansion in 2008, as well as a summary of input sessions/discussions with impacted parties, community leaders and stakeholders during the preparation of this update the 2013 comprehensive rewrite of the Development Plan.